(d) if so, the action Government propose to take to deal with the situation?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) Yes, Sir.

(b) Government is aware of the Tamil Nadu Government's proposal to convert handlooms into powerlooms. The NABARD has not yet received any scheme from Government of Tamil Nadu for conversion of handlooms into powerloms.

(c) Yes, Sir.

(d) Government of India intends to give greater thrust to employment generation in the handloom sector in Eighth Plan by providing adequate funds and by implementing a number of new schemes like schemes recently announced for Integrated Handlooom Village Development, Margin Money for Destitute Weavers, and Omnibus Project Package Scheme which will provide training upgradation of skills, modernisation of looms, assistance for marketing and design improvement in a package form.

Crisis in Textile Industry

1745. SHRI PRABHAKAR B. KORE:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Indian Textile Industry is running into a crisis due to an ugly mismatch between supply and demand of cotton;

(b) if so, what steps Government is taking to improve the situation; and

(c) what is the amount of duty-free import of cotton allowed against exports of textile products by the Government?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK BEHLOT): (a) Textile Industry has been affected due to upward trend of prices of cotton during the current cotton season (September, '91 — August, '92).

(b) The measure taken by the Government include adoption of a cautious policy on the export of cotton and cotton yarn. There is also a proposal to import cotton, the modalities of which are being worked out.

(c) A statement is attached.

Statement

Details of duty free import of cotton allowed against export of textile products as per appendix 13-C of the import and export policy 1990-93.

Description of the Export Product	Description of raw material	Qty. of export product Kgs.	Qty. allowed for import Kgs.	Qty. allowed with duty exemption benefit Kgs.
Carded Yarn of counts 40s and below	Raw Cotton	1	1·15	1·10
Combed Yarn of counts 40s and below	Do.	1	1·33	1·15
Combed Yarn of counts above 40s	Do.	1	1·39	1·15
Grey Fabrics made out of counts below 40s	Do.	1	1·190	1·190
Processed Fabrics made out of counts below 40s	Do.	1	1·516	1·289
Grey/Processed Fabrics manufactured out of combed yarn above 40s	Do.	1	1·557	1·325